

BEFORE THE IDAHO BOARD OF TAX APPEALS

TERRY C. & SUSAN MARY COPPLE LIVING TRUST,)	
)	
Appellant,)	APPEAL NO. 14-A-1002
)	
v.)	FINAL DECISION
)	AND ORDER
ADA COUNTY,)	
)	
Respondent.)	
_____)	

RESIDENTIAL PROPERTY APPEAL

This appeal is taken from a decision of the Ada County Board of Equalization (BOE) denying the protest of valuation for taxing purposes of property described by Parcel No. R8511281050. The appeal concerns the 2014 tax year.

This matter came on for hearing September 9, 2014, in Boise, Idaho before Hearing Officer Cindy Pollock. Terry Copple appeared at hearing for Appellant. Chief Deputy Assessor Tim Tallman represented Respondent.

Board Members David Kinghorn, Linda Pike and Leland Heinrich participated in this decision.

The issue on appeal concerns the market value of a condominium unit.

The decision of the Ada County Board of Equalization is affirmed.

FINDINGS OF FACT

The total assessed value is \$605,700. Appellant contends the correct value is \$449,239.

The subject property is a penthouse condominium unit located on the 10th floor of the Tower Plaza building in downtown Boise. The unit has 2 levels with a total living area of 1,792 square feet. Subject was constructed in 1997.

Appellant purchased subject in 2010 for \$435,000. A purchase contract and other information pertaining to the 2010 purchase were provided to the record. Appellant noted

subject's assessed value increased 55% from 2013 to 2014.

Appellant provided detailed information regarding characteristics of the five (5) units situated on the 10th floor of the Tower Plaza building. The differences in design, layout and location were described in detail. Two (2) of the 10th floor units sold in 2013. The first was a one-level unit which sold in August 2013 for \$650,000. Appellant suggested the sale price was high because the buyers were not as knowledgeable as other local buyers.

The remaining sold unit had two (2) levels with 5,055 square feet and sold for \$1,000,000 in August 2013. This sale was originally a two (2) unit design, however when constructed it was developed into a single residence. The average price per square foot indicated by this latter sale was \$197.82. Appellant felt this was the best sale for comparison with subject. Applying the sale's price per square foot to Appellant's calculation of subject's square footage produced a value of \$449,239 for subject.

Two (2) of the remaining units on the 10th floor were listed for sale during 2013. One (1) had an asking price of about \$650,000 for a number of years. The unit directly next to subject had an asking price of \$645,000. Neither of these two (2) listings produced a sale.

Respondent testified all downtown Boise condominiums were reappraised for 2014. This reappraisal included a comprehensive statistical analysis. It was explained all prior year assessments were cleared out and appraised values were freshly examined using 2013 sales.

On appeal, Respondent presented a sales comparison approach to value subject. The analysis considered three (3) condominium sales with sale dates from July 2013 to October 2013. The sale prices were time-adjusted for date of sale. Two (2) of the sales were located in downtown Boise, while the third sale was the unit which sold on the 10th floor of subject's building

for \$650,000. The other sale in subject's building, with a price of \$1,000,000, was considered but not used where it was double the size of subject. The adjusted sale prices ranged from \$624,500 to \$765,777. Respondent found the sales comparison presented good support for subject's 2014 assessed value of \$605,700.

Respondent further provided a paired-sales analysis for downtown condominiums which demonstrated a distressed sale to non-distressed sale adjustment of 47.49%, on average. Lastly, an economy of scale (price per square foot) analysis was provided. This model indicated a value of \$614,924 for a 1,792 square foot condominium unit.

CONCLUSIONS OF LAW

This Board's goal in its hearings is the acquisition of sufficient, accurate evidence to support a determination of fair market value, or as applicable exempt status. This Board, giving full opportunity for all arguments and having considered all testimony and documentary evidence submitted by the parties in support of their respective positions, hereby enters the following.

Idaho Code § 63-205 requires taxable property be assessed at market value annually on January 1; January 1, 2014 in this case. Market value is defined in Idaho Code § 63-201, as,

“Market value” means the amount of United States dollars or equivalent for which, in all probability, a property would exchange hands between a willing seller, under no compulsion to sell, and an informed, capable buyer, with a reasonable time allowed to consummate the sale, substantiated by a reasonable down or full cash payment.

Market value is estimated according to recognized appraisal methods and techniques. There are three (3) generally accepted approaches to value, the sales comparison approach, the cost approach, and the income approach. *Merris v. Ada County*, 100 Idaho 59, 63, 593 P.2d 394, 398 (1979). Both parties relied on the sales comparison approach, which is a common

approach to value residential property.

Appellant presented good and detailed information on subject's 10th floor location. All five (5) units on the 10th floor were described. Two (2) of the units sold in 2013, the first was a one-level condominium which sold for \$650,000. The other sale was a larger two-level unit which sold for \$1,000,000. Two (2) other units on the 10th floor were on the market during 2013. One (1) was listed for \$650,000 and the other was listed for \$645,000.

Respondent considered three (3) condominium sales to support subject's assessed value. The adjusted prices ranged from \$624,500 to \$765,777. Respondent explained all downtown condominiums were revalued for the 2014 tax year. A comprehensive sales analysis was used to arrive at subject's new assessed value. The analysis presented by Respondent on appeal was found to be reasonable and well-supported.

In appeals to this Board, the burden is with Appellant to prove error in the assessed value determined by a preponderance of the evidence. Idaho Code § 63-511. The burden of proof was not satisfied in this instance. Appellant did not prove by a preponderance that the requested value of \$449,239 was correct. There were no recent sales of downtown condominiums in record to support the value requested. Appellant's listing information was also found to suggest a value higher than that claimed by Appellant. The Board found Respondent's value position was more detailed and better supported than that offered by Appellant.

Based on the above, the decision of the Ada County Board of Equalization will be affirmed.

FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the

Ada County Board of Equalization concerning the subject parcel be, and the same hereby is,
AFFIRMED.

DATED this 19th day of November, 2014.